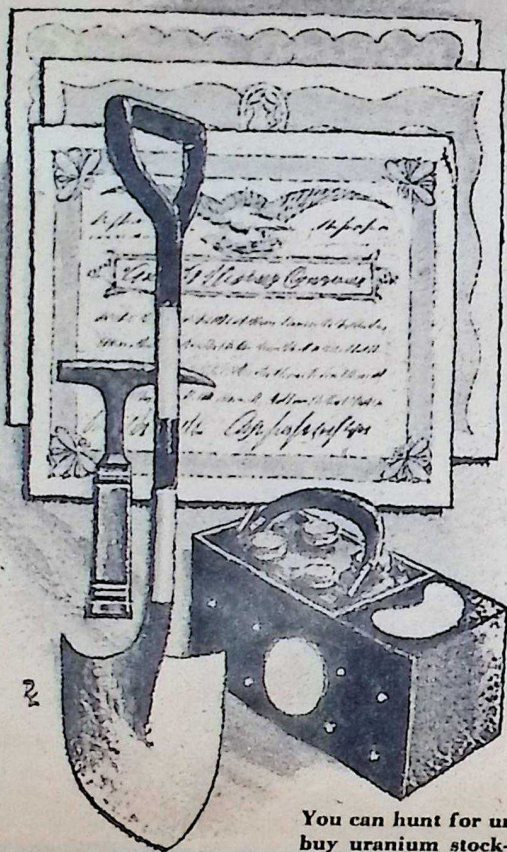


Surprising advice from a man who hit a \$60,000,000 jackpot in the Atomic

COULD YOU MAKE A FORTUNE IN URANIUM?



You can hunt for uranium, or buy uranium stock—but Mr. Steen suggests a third way.

A man could make a pretty good living just picking up the rocks that fall off the trucks on the way to the mills from my uranium mine near Moab, Utah. Even the wind carried away about \$15 worth of dust from each load until we put on tarp covers. Things have really been booming since my story, "I Struck It Rich With Uranium," appeared in *The American Weekly* a couple of years ago.

Yet whenever anyone asks me how to get rich quick with uranium—and I get a dozen letters a day asking just that—I have one answer. Don't try it. Skip the whole business. If you want to look for something, look for a pot of gold under a rainbow. If you want to invest your money at long odds bet on a horse race.

"Look who's talking," my friends say. "Three years ago you were broke and in debt. Two years ago you were pleased to be able to report that you had turned down an offer of \$5,000,000 for your mine. Today you're Mr. Uranium. Your holdings are worth a minimum of \$60,000,000, probably at least twice that much. You should tell people not to prospect for uranium or buy uranium stocks?"

Perhaps they're right. The difference is that I knew I was going to hit the jackpot, and besides, I was married to Minnie Lee.

If I seem too negative about uranium prospects, please excuse me. It's not that I don't realize that money and energy are needed in the industry. It's just that the odds against success are so high.

Let's say you had a few hundred dollars that you could afford to lose and you wanted to gamble it on uranium. You could, of course, buy a Geiger counter—or a scintillometer, which is a more sensitive instrument—and some other needed equipment and go out hunting for uranium-bearing ore. Or you could buy stock in one of the hundreds of uranium companies and wait to see what happened.

My own advice would be to find a few kindred souls and organize a syndicate to finance uranium

prospecting. I'd either grubstake a seasoned prospector who knew what sort of formation to look for or hire a young geologist who was eager to get in the field. I wouldn't put him in an airplane with a scintillometer, although it is true that a few good finds have been made that way. I'd get him a jeep or even a pack-burro and let him go grubbing around on the ground.

Uranium in one form or other has been found now in many parts of the North American continent. Ores of varying value have turned up in most of the western states, in half a dozen eastern areas and, of course, in Canada. I would send my prospector, however, out into the Colorado plateau, 125,000 square miles of high mesas and dizzy canyons just west of the Rockies. You can hardly ride any road through this area without finding claims staked out on both sides—claims that are nothing but symptoms of uranium fever—but back in the rugged interior there are thousands of square miles still to be tested. Undoubtedly there's uranium there, lots of it, and your man just may be lucky enough or smart enough to find it.

Maybe my feeling about this stems from the fact that I tried so desperately to find someone to grubstake me when I needed help. My father had made \$100,000 in oil but died broke. I was always sure I'd make my million and hang onto it. Ask J. C. Ashby, my chief geophysicist, what I told him when we roomed together at the Texas College of Mines.

After graduation I spent two years in the South American jungles as an oil geologist, then went to work for an oil company in Texas. I've always been a nonconformist—which I realize now is something of a virtue—so I told off my boss and got fired.

I'd been married a couple of years to Minnie Lee, whom I'd met at school. "M.L., darling," I said, "I ought to begin looking for that fortune, except I think I'll find it in uranium instead of oil." I told her how tough it would be getting started and how miserable life would be in the arid uranium country, but she just hugged me and said: "When do we start?"

To get some money together I set up a small contracting business in Houston. Our savings didn't

grow much but our family did. Finally, in 1950, when we had three children and a fourth was on the way, M.L. said: "If you don't start now, we may be stuck here for life." With \$1,200, most of it borrowed from my mother, I bought a used drilling rig, made a down payment on a second-hand jeep and left for Utah with a house trailer I had bought four years before while working for the oil company.

When Mark, my fourth son, was six weeks old, my family joined me. It was worse than I thought it would be. We ran out of money, food, even water. The baby existed on sweetened tea. We ate venison three times a day, from deer I shot. Whenever there was a loaf of store bread, the boys bolted it like cake.

The nightmare continued for two years. M.L. came down with pneumonia. I had to go to work as a carpenter. We were forced to sell the house trailer. But through it all M.L. insisted that I keep on trying. And finally it happened.

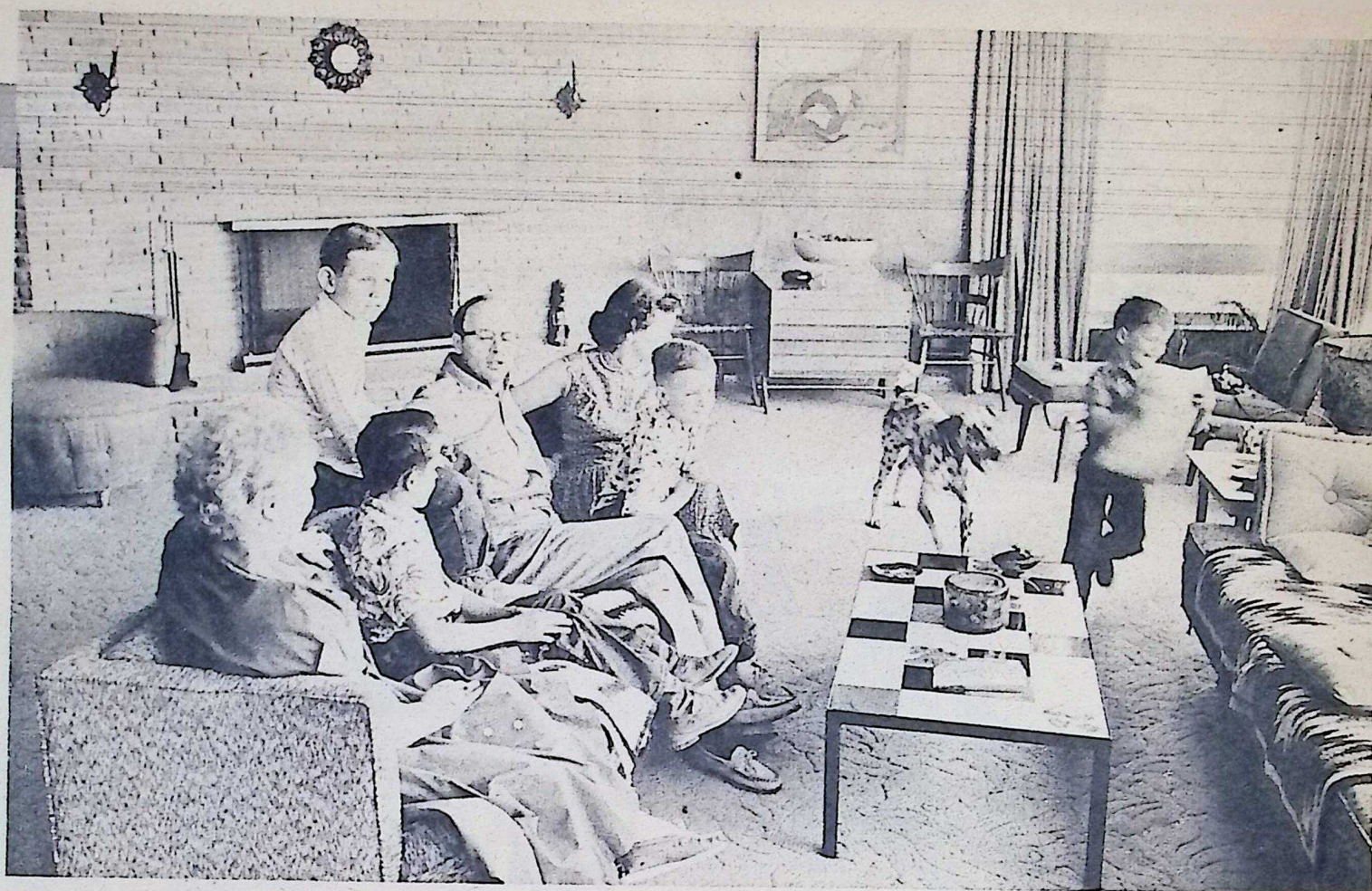
I had been looking at a low-grade uranium outcrop in the Big Indian country about 40 miles from



Steen, in his work clothes, shows a couple of visitors the mine that made him a multimillionaire.

This man did

Charles Steen, his wife, his mother and the Steen boys in the modern mansion he built high on a mesa overlooking Moab, Utah—a far cry from the tiny, slab-sided cottage they moved into right after Steen found the Mi Vida mine.



Photographs by Cal Bernstein—Black Star

By CHARLES A. STEEN

President, Utex Exploration Company, Inc. and Director, Standard Uranium Corp.

Moab. Several much more experienced geologists than I had been looking at it too and they had ruled it out. But it was in the sort of formation that might have produced oil and I was convinced that the same sort of formation could indicate the presence of uranium. I was determined to drill there and at long last I found a backer, an old friend and mining man named Bill McCormick.

I figured the uranium ought to be down about 200 feet. At about 75 feet my drill began going through some bluish-black material that I didn't recognize. I kept on going until at 197 feet—just a yard short of my goal—the bit broke off.

It looked like the finish. The only thing to do was to go to Grand Junction and see if I could borrow some equipment to fish up the pipe and bit. I filled my pockets with some of the samples from the boring and set out. On the way I stopped at Buddy Cowger's filling station in Cisco for gas. He had brought in some rocks and he was testing them idly with a Geiger counter.

"Let me show you something that's really hot," I said jokingly, pulling one of the pieces of black stuff from my pocket. The needle almost jumped off the dial. In one shocked instant I realized I had struck uraninite, a high-grade ore hitherto rarely found on the plateau.

Even after it was evident I had a rich claim, there was a lot of trouble getting the mining operations started. Another old friend, Bill Hudson, came in with some financing and we sunk the shaft of Mi Vida, which now produces more uranium than any other single mine in the United States.

One of the first problems was to estimate how big our ore body was. Other more experienced geologists came in and inspected the whole area very carefully. They looked at the results of test borings and did a lot of figuring and finally told me just how much we had. We have already taken three times that much out of Mi Vida and we have just barely started.

Stock in Mi Vida is not for sale. If it were, I'd recommend it as a very good investment. But just because I made a fortune out of uranium, a lot

of people seem to think that buying uranium stock is likely to bring them a lot of money in a hurry. They are the ones I'd like to warn.

Suppose you own a few of those claims that dot the more easily accessible areas of the southwest states—or anywhere else, for that matter. If some trace of uranium has been found on your property, so much the better, but it isn't necessary. You decide to form a corporation having 5,000,000 shares of common stock with a par value of 10 cents a share, and you turn over your holdings to the corporation for 2,500,000 shares. The rest is to be sold to the public.

This operation, which is strictly legal, puts you in a pretty nice spot. You issue a glowing prospectus which describes your claim as being, for example, "between Charles Steen's mine and Hidden Splendor." (The latter is a rich find a hundred miles distant.) When the stock is sold you're the head of a company that has some \$250,000 to do a little drilling, maybe even some mining, and pay fat salaries to its officers, including yourself. If the suckers come in fast enough—and they probably will—you can unload your own quarter of a million dollars' worth of stock.

Not all uranium companies are like this, of course. The Utah Securities Commission, to which 195 companies have applied for registration, is quite strict. The maximum value that may be put on claims for the purpose of issuing stock is \$500, a figure that has incorporators screaming. There are a dozen other stiff regulations to protect investors, but many investors don't want to be protected.

A man hurried into a brokerage firm in Salt Lake City a few weeks ago and asked: "What information do you have on the Lost City Uranium Company?" The broker, checking through his files, reported he had nothing. "That's too bad," the customer said. "Buy me 10,000 shares."

One woman called up my Salt Lake City broker and ordered him to buy some uranium stock—any uranium stock—at once because "there's a bridge party this afternoon and you can't go to a bridge party without having stock to talk about."

Another ordered \$15 worth of stock as a house

gift for a friend she had just visited. When the stock went up to \$45 a few weeks later, she called the broker and berated him for not insisting she buy some for herself.

To be sure, lots of these stocks increase in paper value and a few in actual value. One issued at 20 cents a year and a half ago has sold for as high as \$7. But uranium speculation is just a rage that will pass.

Of the 140 companies that have so far been registered in Utah, 50 reported they "have shipped or are shipping" ore. A few wheelbarrowfuls dumped in a truck can justify that statement.

It was, of course, the Atomic Energy Commission's willingness to guarantee prices and pay bonuses that started the uranium boom. My friend, Floyd Odlum, whose Atlas Corporation has uranium interests, used to have a vanadium mine not far from Mi Vida. He sold it because there was so much uranium mixed with vanadium that the venture was unprofitable.

Now that uranium has become big business, it is the big corporations that are going to prosper. An occasional wildcatter will hit ore with his drill, just as in the oil industry. But there will be many dry holes and dry holes mean bankruptcy for individuals or small concerns. If you're going to invest, invest in the large oil companies or mining companies or holding companies that are interested in uranium. Profits may not be great but they'll be much surer.

I get advice, too. Some of my wisest friends tell me I should sell my holdings, invest in tax-free bonds and retire—now, at 35. What bosh! I work seven days a week, sometimes far into the night, and I'm having more fun than I ever had in my life. I'm going to stay right in the thick of it.

When the first money began to come in, we moved into a house in Moab. It was only a four-room slab-sided cottage, but it was the finest M. L. ever lived in. We've just moved into a six-bedroom home I had built on a high mesa overlooking the town and valley. About the only modern appliance absent is television, which can't be received in Moab because of intervening mountains.

But there is a set in my nine-place plane, and when a good program is on that some of us want to see I can load the family inside and be flown up where the reception is clear. It is only then that I realize I am rich.